GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3333
ANSWERED ON:26.04.2007
IMPORT OF SKO
Mistry Shri Madhusudan Devram

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the import policy of SKO;

(b) whether the Government is aware that the needy bulk consumers/customers cannot get free sale white SKO easily from the open market;

(c) if so, the reasons therefore;

(d) whether the Government proposes to arrange separate marketing channel of parallel marketers in the States for making availability of adequate quantity of white SKO;

(e) if so, the details thereof and the time by which the final decision is likely to be taken in this regard; and

(f) if not, the reasons therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (d) to (f): This Ministry had introduced Parallel Marketing System (PMS) for kerosene vide Notification dated 2.9.1993 allowing the private agencies to import and market kerosene at market price in the country. Subsequently, on the recommendation of this Ministry, Deptt. of Commerce in November, 2003 canalized the import of kerosene through State Trading Enterprises namely Indian Oil Corporation (IOC), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL) and IBP Company Limited (IBP) for all purposes and also through the State Trading Corporation by Advance License Holders. SKO Control Order, 1993 has been amended in July 2006 to enable parallel marketers of SKO to source their requirements from domestic producers of SKO in addition to imports. Parallel marketers are free to sell the kerosene at market determined price.

(b) & (c): At present, the availability of Kerosene is sufficient to meet the domestic requirement. To ensure adequate availability of kerosene all over the country, the OMCs are also allowed to market indigenously produced surplus kerosene over and above the PDS requirement directly to the genuine customers. In terms of the modalities framed by PSU OMCs, the demand of free trade kerosene of industrial customers requiring one tank lorry or more is being met by the companies directly from their supply locations. The requirement of small consumers requiring less than full tank lorry load would be met through existing SKO/LDO dealer network of the oil companies as per the laid down procedure. The SKO/LDO dealers would ensure that the supplies are made to the genuine customers for legitimate use.